

EXHIBIT 1

INTRODUCTION

Respondent Diane Meyer-Simon is the Founder, President Emeritus, and Chair of Global Green USA and resides in Montecito and Indianapolis, Indiana.

In 2002, during the first semi-annual campaign reporting period January 1, 2002 through June 30, 2002, Respondent Diane Meyer-Simon made \$11,500 in political contributions, and thereby qualified as a “major donor committee” under the Political Reform Act (the “Act”).¹ During the second semi-annual campaign reporting period of July 1, 2002 through December 31, 2002, Respondent made an additional \$13,500 in political contributions. As such, Respondent was required to comply with specified campaign reporting provisions of the Act.

As a major donor committee, Respondent was required by the Act to file a semi-annual campaign statement, commonly known as a “major donor statement,” disclosing Respondent’s campaign activity during the periods January 1, 2002 through June 30, 2002, and July 1, 2002 through December 31, 2002. Respondent committed two violations of the Act by failing to timely file two semi-annual campaign statements.

For the purposes of this Stipulation, Respondent’s violations are stated as follows:

COUNT 1: Respondent Diane Meyer-Simon failed to timely file a semi-annual campaign statement, by the July 31, 2002 due date, for the reporting period January 1, 2002 through June 30, 2002, in violation of section 84200, subdivision (b).

COUNT 2: Respondent Diane Meyer-Simon failed to timely file a semi-annual campaign statement, by the January 31, 2003 due date, for the reporting period July 1, 2002 through December 31, 2002, in violation of section 84200, subdivision (b).

SUMMARY OF THE LAW

An express purpose of the Act, as set forth in section 81002, subdivision (a), is to ensure that the contributions and expenditures affecting election campaigns are fully and truthfully disclosed to the public, so that voters may be better informed, and improper practices may be

inhibited. To that end, the Act sets forth a comprehensive campaign reporting system designed

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

to accomplish this purpose of disclosure.

Section 82013, subdivision (c) includes within the definition of “committee” any person or combination of persons who directly or indirectly makes contributions, including loans, totaling ten thousand dollars (\$10,000) or more in a calendar year to, or at the behest of, candidates or committees. This type of committee is commonly referred to as a “major donor” committee.

Section 84200, subdivision (b) requires a major donor committee to file a semi-annual campaign statement for any reporting period in which the committee made campaign contributions. The first semi-annual campaign statement covers the reporting period January 1 to June 30, and must be filed by July 31. The second semi-annual campaign statement covers the reporting period July 1 to December 31, and must be filed by January 31 of the following year.

Section 84215, subdivision (a) requires all major donor committees that make contributions supporting or opposing state candidates, measures, or committees to file their campaign statements with the offices of the Secretary of State, the Registrar-Recorder of Los Angeles County, and the Registrar of Voters of the City and County of San Francisco.

SUMMARY OF THE FACTS

In 2002, during the first semi-annual campaign reporting period January 1, 2002 through June 30, 2002, Respondent made \$11,500 in campaign contributions, and thereby qualified, under section 82013, subdivision (c) of the Act, as a major donor committee. Respondent made additional political contributions totaling \$13,500 during the second semi-annual campaign reporting period of July 1, 2002 through December 31, 2002.

COUNTS 1 and 2

Failure to File a Semi-Annual Campaign Statements

As a major donor committee, Respondent Diane Meyer-Simon had a duty to file a semi-annual campaign statement by July 31, 2002, for the reporting period January 1, 2002 through June 30, 2002. Furthermore, Respondent had a duty to file a semi-annual campaign statement by January 31, 2003, for the reporting period July 1, 2002 through December 31, 2002. Respondent failed to file semi-annual campaign statements, by July 31, 2002 and January 31, 2003, respectively, in violation of section 84200, subdivision (b).

During the reporting period January 1, 2002 through June 30, 2002, Respondent made \$11,500 in campaign contributions to various state and county candidates and committees, which she failed to timely file a semi-annual campaign statement disclosing the contributions. By failing to timely file a semi-annual campaign statement disclosing the contributions made, as set forth above, Respondent committed a violation of section 84200, subdivision (b).

During the reporting period July 1, 2002 through December 31, 2002, Respondent made additional campaign contributions totaling \$13,500 to various state candidates and committees,

which she failed to timely disclose in a semi-annual campaign statement. By failing to timely file a semi-annual campaign statement disclosing the contributions made, as set forth above, Respondent committed an additional violation of section 84200, subdivision (b).

Respondent filed a semi-annual campaign statement for the period January 1, 2002 through December 31, 2002, with the Office of the Secretary of State, on August 15, 2003.

CONCLUSION

This matter consists of two counts, which carry a maximum possible administrative penalty of Ten Thousand Dollars (\$10,000).

Although this matter could have been resolved through the Enforcement Division's Streamlined Major Donor Enforcement Program, this matter was excluded from the program when Respondent declined to reach an early resolution of the matter through that program.

The administrative penalty imposed for major donor filing violations resolved outside of the Streamlined Major Donor Enforcement Program has historically been determined on a case-by-case basis, and has varied depending on the mix of aggravating and mitigating circumstances. In this case, Respondent's violation is aggravated by the fact that it required three contacts by the Enforcement Division in order to prompt her to file the delinquent statement, and the additional efforts of an Enforcement Division attorney to arrive at a stipulated settlement. Therefore, a penalty higher than that which would have been imposed under the streamlined program is appropriate. However, Respondent was a first-time major donor, and has attributed her violation to a lack of understanding of her filing requirements. In light of these factors, a penalty approximating the middle of the penalty range is appropriate for each violation.

The facts of this case therefore justify imposition of the agreed upon penalty of Four Thousand Dollars (\$4,000).